



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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December 20, 2002

CRK-70993400001688954609

Mr. Earl White
American Gilsonite Company
HC 73 Box 28
Vernal, Utah 84078-9284

Re: Reclamation Contract Acreage Correction, American Gilsonite Company, Bonanza Mines,
M/047/010, Uintah County, Utah

Dear Mr. White:

I appreciate your cooperation and patience in making corrections to the legal descriptions and maps for the Reclamation Contract. I have discovered one last (hopefully) error that needs to be corrected on the Contract. The table showing the mine sites lists 42.6 acres of disturbance, but at the bottom of the table showing other disturbed areas where the two subtotals (mine sites and other disturbed areas) are added together, the acreage listed for the mine sites is 37.0 acres rather than 42.6. In addition, there was one mine site, E-31, that was not included on the table, so there should be an extra one-half acre added to make this subtotal 43.1 acres. The grand total should be 111.7 acres. Fortunately, when Doug Jensen calculated the bond, he based it on 111.7 acres of disturbance, so the only changes that need to be made are to the acreage totals in the reclamation contract and associated attachments.

We have made the changes to the appropriate pages, tables, and map. Would you please initialize these changes and return them to us so we can have our director sign the contract?

Please call me at 801-538-5261 if you have any questions.

Sincerely,

Paul B. Baker
Senior Reclamation Biologist

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Enclosure: Attachment "A" tables and map, pages 1 and 7 from Reclamation Contract

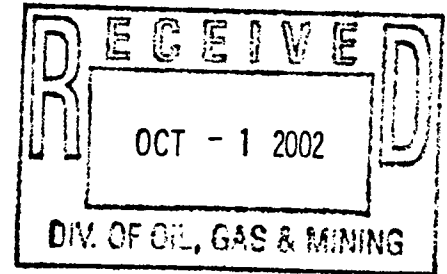
cc: Will Stokes, SITLA, w/o attachments
Pete Sokolosky, BLM, w/o attachments

FORM MR-RC
Revised June 28, 2002
RECLAMATION CONTRACT

File Number M/047/010
Effective Date _____
Other Agency File Number _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
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RECLAMATION CONTRACT
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For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/047/010

(Mineral Mined) Gilsonite

"MINE LOCATION":

(Name of Mine)

(Description)

Bonanza Mine Site
33 Miles South of Vernal
Uintah County
Utah

"DISTURBED AREA":

(Disturbed Acres)

(Legal Description)

111.7
(refer to Attachment "A")

"OPERATOR":

(Company or Name)

(Address)

American Gilsonite Company
29950 South Bonanza Hwy
Bonanza, UT 84008

(Phone)

435-789-1921

ATTACHMENT "A"

American Gilsonite Company
Operator

Bonanza
Mine Name

M/047/010
Permit Number

Uintah County, Utah

LEGAL DESCRIPTION

Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.

The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 111.7 acres under the approved permit and surety, as reflected on the attached summary sheet dated September 18, 2002:

Disturbed Acreage—Mine Sites

Agreed & Accepted by _____

American Gilsonite Sites M/047/010 September 18, 2002

Date _____

Mine or Property	Property	Claim or Lease	Location	Acreage Disturbed	Status
E-15	Pat. Claim	White River 20	T 9 S R 24 E, NW¼ Sec 12	1	Inactive
E-14	Pat. Claim	White River 21	T 9 S R 24 E, NW¼ Sec 12	1	Inactive
E-27	Pat. Claim	White River 22	T 9 S R 24 E, SE¼ Sec 2	1	active
E-28	Pat. Claim	White River 23	T 9 S R 24 E, SE¼ Sec 2	1	active--Secondary Escape
E-29	Pat. Claim	White River 23	T 9 S R 24 E, SE¼ Sec 2	1	Inactive
E-30	Pat. Claim	White River 24	T 9 S R 24 E, SW¼ Sec 2	1	Inactive
E-30W	Pat. Claim	White River 25	T 9 S R 24 E, SW¼ Sec 2	0.5	Active escapeway
E-31			T 9 S R 24 E, SW¼ Sec 2	0.5	
I-9	Pat. Claim	Rangely Bell	T 9 S R 24 E, SE ¼ Sec 23	1	Inactive
I-10	Pat. Claim	Rangely Bell	T 9 S R 24 E, SE ¼ Sec 23	1	Inactive
I-24	Pat. Claim	Big Chief	T 9 S R 24 E, NW¼ Sec 23	1	Active
I-18	Pat. Claim	Break of Day	T 9 S R 24 E, NE¼ Sec 22	1	Inactive
I-16	Pat. Claim	Triumph	T 9 S R 24 E, SE¼ Sec 15	1	Inactive
I-15	Pat. Claim	Cumberland	T 9 S R 24 E, SW¼ Sec 15	1	Inactive/Potential Mine
I-30	State Lease	ML-31934	T 9 S R 24 E, SW¼ Sec 15	1	Active
I-12	State Lease	ML-851	T 9 S R 24 E, NW¼ Sec 16	1	Active
B-28	Fee		T 9 S R 24 E, SW¼ Sec 23	1	Active
B-38	Fee		T 9 S R 24 E, SW¼ Sec 16	1	Inactive
B-42	Fee		T 9 S R 24 E, SW¼ Sec 16	1	Inactive
B-44	Fed. Lease	U-0126940	T 9 S R 24 E, NE¼ Sec 17	1	Inactive
B-16	Fee		T 9 S R 24 E, SW¼ Sec 23	1	Active
B-12	Pat. Claim	Foothill	T 9 S R 24 E, SE¼ Sec 23	1	active--Secondary Escape
WH-4	Fed. Lease	U-060749-A	T 9 S R 24 E, NW¼ Sec 35	1	New mine site
LE-10	Fee		T 9 S R 24 E, NE¼ Sec 32	1	Active
LE-6	Fed. Lease	U-0126938	T 9 S R 24 E, NW¼ Sec 30	1	Inactive/Potential Mine
LE-7	Fed. Lease	U-0126938	T 9 S R 23 E, NE¼ Sec 25	0.5	Development 1992--Secondary Escape
B-40	Fee		T 9 S R 24 E, SW¼ Sec 16	1	Reclaimed/not Inspected
WH-12	Fed. Lease	U-073071	T 9 S R 24 E, SW¼ Sec 27	1	Reclaimed/not Inspected

Mine or Property	Property	Claim or Lease	Location	Acreage Disturbed	Status
LE-4	Fee		T 9 S R 24 E, SW $\frac{1}{4}$ Sec 30	1	Reclaimed/not Inspected
LE-5	Fed. Lease	U-0126938	T 9 S R 24 E, SW $\frac{1}{4}$ Sec 30	1	Reclaimed/not Inspected
LE-19	Pat. Claim	Asteroid	T 9 S R 24 E, SW $\frac{1}{4}$ Sec 33	1	Reclaimed/not Inspected
LE-19	Pat. Claim	Alexandria	T 9 S R 24 E, NW $\frac{1}{4}$ Sec 33	2	Reclaimed/not Inspected
H-1	Fee		T 11 S R 24 E, NW $\frac{1}{4}$ Sec 22	1	Reclaimed/not Inspected
H-2	Fee		T 11 S R 24 E, NW $\frac{1}{4}$ Sec 22	1	Reclaimed/not Inspected
H-10	Pat. Claim	Merrimac	T 11 S R 23 E, SW $\frac{1}{4}$ Sec 1	1	Reclaimed/not Inspected
R-2	Pat. Claim	Turtle	T 11 S R 24 E, SW $\frac{1}{4}$ Sec 24	1	Reclaimed/not Inspected
R-3	Pat. Claim	Tennessee	T 11 S R 24 E, SW $\frac{1}{4}$ Sec 24	1	Reclaimed/not Inspected
R-4	Pat. Claim	Tennessee	T 11 S R 24 E, SW $\frac{1}{4}$ Sec 24	1	Reclaimed/not Inspected
H-CAMP	Pat. Claim		T 11 S R 24 E, NE $\frac{1}{4}$ Sec 22	5.6	Reclaimed/not Inspected
		Disturbed Acreage--Mine Sites	43.1		

Disturbed Acreage – Townsite, Roads, Plants, and Other Areas

	General Description	Location	Disturbed Acreage	Area lies in these Sections
Townsite				
1	Residential Area (Houses and Roads)	SE1/4 Sec. 23 T9S R24E	2.3	Sec. 23 T9S R24E
2	Operation Area (buildings, plants, ponds, scales, and boneyard)	SE1/4 Sec. 23 T9S R24E	5.7	Sec. 23 T9S R24E
Roads				
3	County Road to Pump Station	SW1/4 Sec. 16 T9S R25E	1.4	Sec. 16, 17 T9S R25E
4	County Road to Crush Plant	SW1/4 Sec. 15 T9S R25E	0.6	Sec. 15 T9S R25E
5	County Road to Bins at Crush Plant	NW1/4 Sec. 16 T9S R25E	0.8	Sec. 16 T9S R25E
6	Pump Station to Highway 45 along Eureka Vein	NE1/4 Sec. 17 T9S R25E	11.2	Sec. 1, 2, 3, 12, T9S R24E; Sec. 7, 8, 17 T9S R25E
7	Highway 45 to Eureka Vein near E-21	NE1/4 Sec. 23 T9S R24E	5.8	Sec. 12, 13, 23, 24 T9S R24E
8	County Road to I-15 along Independent Vein	SE1/4 Sec. 23 T9S R24E	3.1	Sec. 15, 22, 23 T9S R24E
9	County Road to B-37 Site	NE1/4 Sec. 20 T9S R24E	2.5	Sec. 16, 17, 20 T9S R24E
10	County Road to B-42	SW1/4 Sec. 16 T9S R24E	1.4	Sec. 16 T9S R24E
11	B-42 to B-50	Sec. 17 T9S R24E	2	Sec. 17 T9S R24E
12	County Road to LE-5	SE1/4 Sec. 30 T9S R24E	1.1	Sec. 30 T9S R24E
13	County Road to WH-12	NE1/4 Sec. 27 T9S R24E	2.3	Sec. 27 T9S R24E
14	County Road to Harrison Camp	SE1/4 Sec. 15 T11S R24E	3.7	Sec. 15, 22 T11S R24E
15	County Road to H-10	SW1/4 Sec. 6 T11S R24E	2.8	Sec. 1 T11S R23E; Sec. 6 T11S R24E
16	Harrison Camp to H-2 along Harrison Vein	NE1/4 Sec. 22 T11S R24E	2.1	Sec. 22 T11S R24E
17	County Road to PW-4	NW1/4 Sec. 16 T11S R24E	1.5	Sec. 9, 16 T11S R24E
18	County Road to R-1	SW1/4 Sec. 24 T11S R24E	0.7	Sec. 24, 25 T11S R24E
Plant and Other Areas				
19	Pump Station and Ponds	NE1/4 Sec. 17 T9S R25E	3.8	Sec. 17 T9S R25E

	General Description	Location	Disturbed Acreage	Area Lies in These Sections
20	Crush Plant Area	NW1/4 Sec. 16 T9S R25E	0.8	Sec. 16 T9S R25E
21	Solar Pad Area	SW1/4 Sec. 16 T9S R25E	0.5	Sec. 16 T9S R25E
22	Reservoir	SW1/4 Sec. 16 T9S R25E	2.3	Sec. 16 T9S R25E
23	Explosives Magazine and Access	SW1/4 Sec. 24 T9S R24E	1.1	Sec. 24 T9S R24E
24	River Pump Station and Wells	SE1/4 Sec. 2 T10S R 24 E	7	Sec. 2 T10S R 24 E
25	E-21 Landfill	NW1/4 Sec. 7 T9S R24E	2.1	Sec. 7 T9S R24E
	Disturbed Acreage--Townsite, Roads, Plants and Other Areas		68.6	
	Disturbed Acreage--Mine Sites		43.1	
	Grand Total Disturbed Acreage		111.7	